S. HRG. 98–84

NOMINATION OF ALFRED H. KINGON

HEARING

BEFORE THE

COMMITTEE ON FINANCE
UNITED STATES SENATE

NINETY-EIGHTH CONGRESS

FIRST SESSION

ON

THE NOMINATION OF ALFRED H. KINGON TO BE ASSISTANT SECRETARY OF COMMERCE FOR INTERNATIONAL ECONOMIC POLICY

APRIL 22, 1983

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NOMINATION OF ALFRED KINGON TO BE ASSISTANT SECRETARY OF COMMERCE FOR INTERNATIONAL ECONOMIC POLICY

FRIDAY, APRIL 22, 1983

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C.

The committee met, pursuant to notice at 9:10 a.m., in room SD-215, Dirksen Senate Office Building, Hon. Robert J. Dole (chairman of the committee) presiding.

Present: Senators Dole and Heinz.

[The press release announcing the hearing and Senator Dole's opening statement follows:]

[Press Release No. 83-130]

COMMITTEE ON FINANCE ANNOUNCES HEARING ON NOMINATION OF ALFRED H. KINGON TO BE ASSISTANT SECRETARY OF COMMERCE

Senator Bob Dole (R., Kansas), Chairman of the Committee on Finance, today announced that the Committee will conduct a hearing on Friday, April 22, 1983, on the nomination of Alfred H. Kingon of New York to be Assistant Secretary of Commerce for International Economic Policy.

The hearing will begin at 9:00 a.m. in Room SD-215 of the Dirksen Senate Office Building. It will precede a hearing already scheduled for 9:30 a.m. on legislation to establish enterprise zones.

Background.—The Assistant Secretary of Commerce for International Economic Policy is charged with responsibility within that Department for country-specific policy issues and multilateral affairs.

Prior to his recent nomination, Mr. Kingon was for 10 years editor in chief of Financial World. From 1980-82, he also served as editor in chief of the Saturday Review. He holds a B.S. degree from Union College, and has taken graduate courses in business administration at New York University.

STATEMENT OF SENATOR DOLE

I welcome today Mr. Alfred H. Kingon, whom the President has nominated to be Assistant Secretary of Commerce for International Economic policy.

For the record, we have reviewed the financial disclosure forms of Mr. Kingon, and the material he has filed with the Office of Government Ethics. I am satisfied that there are no problems in this area.

I have received a letter from the Director of Government Ethics approving the nominee's compliance with the Ethics in Government Act with one potential caveat. It will be made a part of the record.

The Assistant Secretary of Commerce for International Economic Policy is responsible within the Commerce Department for developing positions on bilateral and multilateral international commercial issues, particularly trade matters. He has an important role in overseeing implementation of the GATT agreements that were signed in 1979 and which were implemented by the Congress in the 1979 Trade Agreements Act. He also has increasing responsibilities for developing U.S. policies in the areas of services and investment matters. Thus, this committee has a vital concern with whom the President nominates for this position and how that person carries out his responsibilities.

Mr. Kingon in recent years has engaged in numerous activities in the economic arena. These have included serving as editor-in-chief of an investment journal and the Saturday Review, and as portfolio manager of a stock mutual fund. He also has served on presidential commissions relating to economic competitiveness.

The CHAIRMAN. Before we start the hearings on enterprise zones, we do have a nomination. I want to welcome today Mr. Alfred H. Kingon, whom the President has nominated to be Assistant Secretary of Commerce for International Economic Policy.

For the record, we have reviewed the financial disclosure forms of Mr. Kingon, the material that has been filed with the Office of Government Ethics, and I am satisfied there are no problems in this area.

I have received a letter from the Director of Government Ethics approving the nominee's compliance with the Ethics in Government Act, with one potential caveat.

The CHAIRMAN. The Assistant Secretary of Commerce for International Economic Policy is responsible within the Commerce Department for developing positions on bilateral and multilateral international commercial issues, particularly trade matters. He has an important role in overseeing implementation of the GATT agreements that were signed in 1979 and which were implemented by the Congress in the 1979 Trade Agreements Act.

He also has increasing responsibilities for developing U.S. policies in the areas of services and investment matters; thus, the committee has a vital concern with whom the President nominates for this position and how that person carries out his responsibilities.

Mr. Kingon in recent years has engaged in numerous activities in the economic arena. These have included serving as editor in chief of Financial World, an investment journal, and the Saturday Review, and as a portfolio manager of a stock mutual fund. He has also served on Presidential commissions relating to economic competitiveness.

I have a letter from Sherman Unger, General Counsel, U.S. Department of Commerce, which I will ask to be included as part of the record. It indicates that Mr. Kingon submitted his financial disclosure report to the Department on March 2. By letter dated March 10 to David R. Scott, Acting Director of the Office of Government Ethics, Mr. Unger's office certified that Mr. Kingon's form is complete and disclosed no financial interest or outside activity which violates or appears to violate the conflict-of-interest laws and regulations which might apply.

Mr. Kingon has listed several interests, including stock in MACRO Communications, Inc. It is the opinion of Mr. Unger that none of these interests present any impediment to Mr. Kingon's serving as Assistant Secretary for International Economic Policy. He concludes that it appears unlikely that any matter would arise involving any financial interest. However, should such a matter develop, Mr. Kingon could refrain from participating personally in deliberations with regard to it, or seek a waiver under 18 U.S.C. 208(b) if the interest is insubstantial. I will ask that that letter be made a part of the record.

[The letter referred to follows:]

GENERAL COUNSEL OF THE
U.S. DEPARTMENT OF COMMERCE,
Washington, D.C., March 10, 1983.

DAVID R. SCOTT,
Acting Director, Office of Government Ethics, Office of Personnel Management, Washington, D.C.

DEAR MR. SCOTT: Alfred H. Kingon is to be nominated by President Reagan as Assistant Secretary for International Economic Policy, International Trade Administration, United States Department of Commerce. Enclosed is a copy of Department Organization Order 40–1 which, at section 6, describes the duties of that position. Mr. Kingon filed his financial disclosure report, which he prepared on January 10, 1983, with my office on March 2, 1983. In accordance with 5 CFR 734.604, I have reviewed the report to insure that it is complete and that no disclosed interest or position held violates or appears to violate:

(1) Any applicable provisions of Chapter 1 of 18 U.S.C. Part 1,

(2) The Ethics in Government Act, as amended, and the regulations promulgated under it,

(3) Executive Order 11222 and applicable regulations including the Department's regulations on employee conduct at 15 CFR Part O, or

(4) Any other statute or regulation applicable to employees of this Department.

Mr. Kingon lists financial interests in common stock of Macro Communications Inc. and a liquid asset fund as well as interests of his wife in Treasury bills and a savings account. He also reports that he is currently a trustee of the Mannes College of Music and editor-in-chief of Macro Communications. The latter publishes a number of magazines including aviation and television periodical and Financial World magazine. Financial World addresses the financial community on economic matters. Mr. Kingon has terminated his position with Macro Communications since he prepared his report.

It is my opinion that none of these interests present an impediment to Mr. Kingon serving as Assistant Secretary for International Economic Policy. In that position he will advise on U.S. international economic policies and carry out programs to promote world trade and strengthen the international trade and investment position of the United States. The matters with which Mr. Kingon will deal in his Government position are not likely to significantly influence, or be influenced by, his continuing financial interest in Macro Communications or the other holdings he reports.

It seems most unlikely that a particular matter would arise involving any financial interests of Mr. Kingon. However, should such a matter develop, Mr. Kingon could refrain from participating personally or seek a waiver under 18 U.S.C. 208(b) if the interest is insubstantial. I see no barrier to the efficient execution of Mr. Kingon's duties as Assistant Secretary for International Economic Policy. Accordingly, I have signed the agency ethics official's certification.

Sincerely,

MARILYN G. WAGNER,
Assistant General Counsel
For Administration.

United States of America
Office of
Government Ethics

Office of Personnel Management
Washington, D.C. 20415

MAR 30 1983

Honorable Robert Dole
Chairman, Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Alfred H. Kingon, who has been nominated by President Reagan for the position of Assistant Secretary for International Economic Policy, International Trade Administration, United States Department of Commerce.

We have reviewed the report and have also obtained advice from the Department of Commerce concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Kingon is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David R. Scott
Acting Director

Enclosure

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Mr. Kingon, have you discussed possible conflicts of interests with the committee's chief counsel and staff director, Rod DeArment?

STATEMENT OF ALFRED H. KINGON, OF NEW YORK, NOMINEE

Mr. KINGON. Yes, sir, I have.

The CHAIRMAN. Is there any reason that you know of that would preclude you from serving in the office to which you have been nominated?

Mr. KINGON. No, sir, none.

The CHAIRMAN. Is there any statement that you would like to make at this time?

Mr. KINGON. Well, Mr. Chairman, I first want to thank you and the other distinguished members of your committee, as well as the majority and minority staffs for according me the fullest cooperation and courtesy.

I am aware that I come here at a very critical moment. It is ironic that highly articulate people all across the political spectrum—as a matter of fact, at both ends of the spectrum—call on almost a daily basis for some form of protectionism.

Almost lost in all this rhetoric is the fact that the free trade system that evolved after World War II has reaped enormous benefits for every one of its participants, especially the United States.

In no way am I denying that there are problems for us in world trade. Free trade is like most things in life—simple in concept, difficult in execution. But quite simply, I believe there can be no free trade without fair trade.

And there are many who are calling the phrase "fair trade" a code word for protectionism. I don't believe it. I don't believe a free trading system can possibly survive or succeed unless the trading partners fully comply with the law. And I am not talking merely about observing the letter of the law, but the spirit as well. To me, the concept of fair trade is a very real and integral element with free trade.

But if I don't accept fair trade as a code word for protectionism, neither do I accept free trade as a code word for a suicide pact. I think the time has come—it probably has passed—when we can no longer go hat in hand to any nation or group of nations that violate the spirit, if not the letter of the law, and disadvantage business and workers and investors in this country.

Problems in trade are real. I think their solutions are achievable by sustained, reasoned discussion with our trading partners, diligent effort and perseverance. And should the Senate confirm my nomination, I promise you that I will spare no effort to see that American interests are served in this system.

Thank you, sir.

[The curriculum vitae of Mr. Kingon follows:]

CURRICULUM VITAE—ALFRED HUGH KINGON

WORK EXPERIENCE

1971 to Current: MACRO Communications, Inc. (150 East 58 Street, New York, N.Y. 10155). Editor-in-Chief of all publications.

1970–73: Editor of Money & Credit and author of this highly successful macroeconomic newsletter. After March 1973, supervised others' preparation of this letter until it was sold in 1979.

1973– : Editor-in-Chief of Financial World. Serving as full-time editor of this 80-year-old magazine, engineering its turn-around from a 24-page non-color weekly to an important national magazine for institutional and individual investors. Responsible for the developing and breaking of major new stories. Since April 1979, serving as Editor-in-Chief of this magazine, guiding its overall direction and supervising the staff I assembled.

1980–82: Served as Editor-in-Chief of Saturday Review. Played key role in reorganizing and restructuring that nearly moribund general interest magazine, refocusing it as a news magazine of literature and the arts. While the editorial product was well received, advertising revenues were not generated quickly enough to warrant the magazine's continuation. It was closed in August 1982.

1969–71: The Businessman's Fund (Formerly The McDonnell Fund) Served as portfolio manager of this stock mutual fund. Generally performed in top 20% of all funds. The Fund's management company was owned by the brokerage firm that promoted me to the job. I had full and total responsibility for this $40-million portfolio.

1967–69: Scheinman, Hochstin & Trotta, a member firm of the New York Stock Exchange. Joined them first as a security analyst, and within one and a half years was Vice President and Director of Research, having overall responsibility for preparing the firm's economic outlook, investment strategy, and supervising the analysts' selection of securities. The firm had ten offices and several hundred brokers.

1963–67: Burnham & Co. (now Drexel, Burnham, Lambert). Served in the investment advisory arm of this international investment banking and brokerage house. Assisted in the investment supervision of foreign and domestic portfolios totaling between $200 and $300 million.

1960–63: Wm. M. Rosenbaum & Co. Trained at this member firm of New York Stock Exchange that cleared through Loeb Roades. Trained as a broker/analyst and assisted the senior partner in research as well as being a broker.

EDUCATION

New York University Graduate School of Business Administration (1956–1961). Courses in accounting, economics, investments, and finances.

Union College, Schenectady, New York (1949–1953. B.S. Majored in psychology and social sciences.

OTHER ACTIVITIES

President's Private Sector Survey for Cost Control Task Force (1982). Appointed as a member of the Executive Committee by President Reagan in May 1982.

President's National Productivity Advisory Committee (1982). Appointed as a member of the Committee by President Reagan in January 1982.

Mannes College of Music, New York (1981—current). Member of the Board of Trustees. Previously served as Chairman of the Parent's Committee of the Preparatory School.

Little Red School House and Elizabeth Irwin High School, New York (1978–1981). Member of the Board of Trustees. Chaired several committees.

THE INTERNATIONAL TRADE ADMINISTRATION

The International Trade Administration (ITA) carries out the U.S. Government's nonagricultural foreign trade activities. It encourages and promotes U.S. exports of manufactured goods, administers U.S. statutes and agreements dealing with foreign trade, and advises on U.S. international trade and commercial policy.

UNDER SECRETARY FOR INTERNATIONAL TRADE

The Under Secretary directs ITA programs and activities. In the absence of the Secretary of Commerce, the Under Secretary represents the Commerce Department on the interagency Trade Policy Committee, the Board of the Export-Import Bank and, as assigned, on other Secretarial-level boards, committees, or panels that focus on international trade. The Under Secretary's chief assistant is Deputy Under Secretary for International Trade.

TRADE DEVELOPMENT

This section runs programs to stimulate U.S. exports of products and services. It sponsors trade fairs, trade missions, and other overseas promotions and helps U.S. firms compete for major overseas contracts.

It advises on trade policies affecting specific industries and obtains private sector views. It helps negotiate trade agreements, advises U.S. industries on their rights under international agreements, and focuses on matters relating to international finance.

It negotiates and monitors bilateral import agreements involving textiles and conducts a U.S. textile and apparel export expansion program.

It collects and analyzes trade information and makes forecasts about U.S. trade and competitiveness. It monitors foreign investment in the United States and administers a program to assist industries faced with import competition. It also encourages formation, under a 1982 law, of export trading companies.

An Assistant Secretary for Trade Development directs these activities; his chief deputy is the Deputy Assistant Secretary for Trade Development. Completing the team are Deputy Assistant Secretaries for Export Development, Industry Projects, and Trade Information and Services.

U.S. AND FOREIGN COMMERCIAL SERVICE

This section administers foreign commercial posts throughout the world and 48 U.S. Commercial Service district offices throughout the nation.

The overseas posts look for trade and investment opportunities for U.S. businesses and carry out trade promotion activities. The district offices in this country counsel U.S. firms on overseas marketing and conduct export seminars, workshops, and conferences.

The CHAIRMAN. Thank you very much. I have a question that Senator Long wanted me to ask. Have you seen a copy of it?

Mr. KINGON. No, sir.

The CHAIRMAN. I will just send a copy of it to you, rather than to repeat it.

Why don't you just read the question and if you can respond now, do, and if not, if you provide additional material for the record.

Mr. KINGON. Senator Long asks:

In the President's February 22 speech to the American Legion Convention he said, "There is no more damaging misconception than the notion that capitalism is an economic system benefitting only the rich. Economic freedom is the world's mightiest engine for abundance and social justice. Developing countries need to be encouraged to experiment with the growing variety of arrangements for profit-sharing and expanded capital ownership that can bring economic betterment to their people."

This is Senator Long:

It would be helpful to me if you could indicate whether or not you agree with the President's observations, and if so, what steps you think the Commerce Department might take to make expanded ownership an integral part of our international economic policy.

Do you want me to respond to that?

The CHAIRMAN. Yes; if you can at this point.

Mr. KINGON. Yes, sir. Obviously the free enterprise system and the free market system has produced benefits in this country that are unequaled anywhere in the world. I think we often do a poor job in selling and promoting that concept overseas.

Insofar as what the Commerce Department can do, there is a fine line of interfering with other nations' internal policies, but it seems to me the more we interact with them and the more we trade with them and the more we put into effect policies and programs, like the Caribbean Basin Initiative and others, that not only support free

enterprise, the more success we are going to have. And other countries and other nations will come to realize that.

I am thinking particularly of Brazil, where the Third World anti-American rhetoric has diminished. They are coming to understand and coming to realize that there is an economic process that they can participate in that would be beneficial to them. I think you can see that in subtle ways all across the world.

The CHAIRMAN. Senator Heinz?

Senator HEINZ. Thank you, Mr. Chairman.

Mr. Kingon, one of the things you will do in your job, if confirmed, is to supervise people in the Commerce Department who, among other things, will be negotiating with countries like Mexico and giving them an injury test in return for commitments on eliminating subsidies.

Are you familiar with the commitments our Government made in 1979 as to the standards it would hold LDC's to before it gave them the injury test?

Mr. KINGON. In a general sense; yes. I know that we are under constraints. Mexico did not join the GATT. We are not able, as I read the statutes now, and I am just coming into this to conclude a bilateral treaty with them now for countervailing duty with an injury test, but as I understand the situation, we can begin to negotiate with them.

And I believe this binational meeting that occurred earlier this week with Secretary Baldrige and Secretaries Shultz and Regan began the process wherein hopefully we can get Mexico to conform with what it must in order for us to give them an injury test.

Senator HEINZ. You are right that one of the means of meeting commitments under that code, under the subsidies code, is to sign the code. But if the code isn't signed, the criteria are these: there should be a general commitment not to use export subsidies, agreement to phase out current subsidies over a 2- to 4-year period, agreement not to expand programs in terms of product coverage or the level of subsidy, commitment to eliminate subsidies across the board, all subsidies, phasing them down as appropriate.

Now you mentioned the Secretary's visit to Mexico. Can you give us a little bit more information on the status of those negotiations?

Mr. KINGON. Actually, all I am aware of, as to what happened in the trade part of the negotiations was that they asked us for what they have always asked us for, for the countervailing duty with the injury test. And my understanding and knowledge of it, and I have not talked personally to the Secretary yet, but some of the people who were with him, was that it was referred to working groups to begin to explore, and we made known to them a list of requirements that we have and then some beyond the immediate areas of trade.

My understanding of it is that these discussions will continue and really we are at the very preliminary steps of negotiation to see if this can be carried out.

Senator HEINZ. Now you mentioned that Mexico hasn't joined the GATT. That is true. They have consistently refused to do so. But why haven't they signed the subsidies code? You don't have to be a member of GATT to sign the subsidies code.

Mr. KINGON. I can't give you an answer to that. I would have to find that out. I am not sure.

Senator HEINZ. Can you assure the members of this committee that our Government is not going to make an agreement with the Mexicans that is not consistent with the principles I enumerated to you a moment ago?

Mr. KINGON. Yes; I think I can. I was fortunate to attend with Secretary Baldrige and Ambassador Brock the meeting before the binational group left, and both of them made it very plain that they were very constrained by law on what they could do with the Mexicans.

Senator HEINZ. And will you consult with the membership of this committee before doing anything in this area?

Mr. KINGON. Absolutely.

Senator HEINZ. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Heinz.

Mr. Kingon, you have written that domestic economic policy can no longer be made without taking into account the international ramifications of those policies. Could you elaborate, and perhaps comment on how taking "international ramifications" into account will advance U.S. interests rather than moderate policies that would appear to be most advantageous from a narrower domestic standpoint?

Mr. KINGON. Yes, sir. I would be happy to. Any nation, it seems to me, that develops in its history, starts from national considerations and then grows more sophisticated as it expands into the world, especially world trade.

We have a habit in this country of—we had a habit of looking at things first from a domestic point of view and tending to ignore the international ramifications of that.

I had in mind—I used an example in that editorial—monetary policy, being critical of it in this sense. If you recall in 1981 and early 1982, the Federal Reserve was in the middle of a very restrictive monetary policy in an attempt seemingly to reduce inflation in this country. In those times, Chairman Volcker and his colleagues were acting in a monetary stance, a monetary mode.

What happened, it seems to me, was that international events—the recession, trouble in France in the sense that they went Socialist, Poland, a series of events—caused an incredible demand on U.S. dollar assets. But the Federal Reserve, looking at it strictly from a domestic point of view, did not accommodate the increased demand for the dollars.

What happened was, overseas, that the other nations felt compelled to defend their own currency with their own dollar assets, shrinking their own money supply, increasing the amplitude and duration of their recession, which in turn comes back and makes our recession more difficult because we lost more and more exports.

What I was trying to say in that editorial was that we really are becoming one economic world, and decisions can't be made in the abstract only for one nation anymore.

I have in mind further that we talk about other nations having to discipline themselves in terms of financial and monetary stance. That has implications for us because we lose trade, we lose our ability to export to those countries, and that concerns American businesses and American jobs.

All I was asking for in that editorial was that every one of us in the world have to now recognize that any purely domestic action that we take usually has international ramifications and they have to be regarded also.

The CHAIRMAN. What background do you have in trade matters? It seems from your vitae that you have been working in that area primarily as a writer.

Mr. KINGON. Let me preface that by saying that I have always considered myself basically an economist. I worked in Wall Street for many years as a research director and as a fund manager. During that time for several years I worked for a large investment banking firm that dealt with the Dutch banks. I had occasion to go over to London and France.

In the writing area, while I have written primarily on domestic matters, my interest has always been domestic and international. Frankly, Mr. Chairman, somewhere around the 1970's I could no longer draw the line between domestic and international matters. I'm not quite sure where it is anymore. That's the best I can answer.

The CHAIRMAN. Now do I understand that you don't worry about deficits? I am ready some of your past——

Mr. KINGON. Oh no, sir. I worry about deficits.

The CHAIRMAN. Have you had a change of heart?

Mr. KINGON. No, sir. I have always worried about deficits. I think if you read all my editorials, I have always worried about the size of the deficit.

My main line of reasoning has been not to, in the middle of a recession, try to reduce the deficit with tax increases, only rather by cutting spending.

The CHAIRMAN. As I understand your position, it will not be directly involved in making economic policy. I hope that's correct.

Mr. KINGON. Yes, sir.

The CHAIRMAN. That will be a help.

You know, I don't quarrel with the right of anyone to write editorials; however, it's not often that they face those about whom they talk very often. But I want to remind you of one you wrote in August 1982 entitled "Crowding in on Crowding Out." Are you familiar with it?

Mr. KINGON. Yes, sir, I am.

The CHAIRMAN. Let me quote you:

> The new hero of the hour is Senator Bob Dole of Kansas. What did he do? Well, and I'm not kidding, he somehow snatched the tax increase ball from the Democrats, browbeat his fellow Republicans on the Senate Finance Committee to accept it and deftly ran it past the whole Senate.

I hope I can browbeat the Senate Finance Committee into accepting your nomination.

Mr. KINGON. Senator, I think I have proven today that the pen is indeed mightier than the sword, especially when you stick yourself with it.

The CHAIRMAN. Then I have one on "Tiponomics," in which somehow you link me and Tip O'Neill together. You say "Notwithstanding Senator Dole's, Speaker O'Neill's and others' diatribes," et cetera.

I hadn't read these before and I found them most interesting. Compared to the Wall Street Journal, they are rather tame. So I hope that

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you keep your subscription to the Wall Street Journal, as I am certain you will.

But, regardless what you and the Journal may believe, we in the Congress are concerned about deficits. And though you are not going to be in that policy area, I am pleased that the President is also concerned about deficits. There are some who have what I assume are your economic views who don't really worry about deficits, but they are a matter of some concern to us.

I think the only point that I would make is that I hope you are giving up all your writing when you take up this position?

Mr. KINGON. Absolutely, sir.

The CHAIRMAN. That would save us a lot of time searching for what you may have written about us.

Have you suggested imposing a $10 oil import fee?

Mr. KINGON. Well, I did suggest that as the best of alternatives some time ago, a long time ago. I think that was well over a year ago.

What I was concerned with—let me reassure you, I am very concerned with deficits. If I can send you every editorial I ever wrote, you will see that I have been complaining about red ink as far back as 1971. The only thing, in recent years I was very much concerned about the amplitude, the duration of this recession, and I was very concerned, sir, about raising taxes. That is all.

The CHAIRMAN. I don't suggest that it is a bad idea. I just wanted to confirm that.

I think just finally, it might be well to know how you view your relationship of the job to which you have been nominated to the role of the Trade Representative's office in particular, and other agencies with trade responsibilities in general.

I think the problem, which Senator Roth has focused on, is that we have a number of agencies and a number of very good people involved in the trade area, but there is some question of whether we speak with one voice in this country.

It might be helpful if you could indicate how you see your role, working with the other agencies.

Mr. KINGON. I made it a point, of course, to meet my counterparts over at the STR's office. I am just coming in to this. I am aware of the—I think Senator Roth used the term "two-headed monster"—I am aware of the two voices. As I understand it, they really have the lead role in policymaking and policysetting, and we have the role in implementation.

But I know that we have a far greater number of employees working for Commerce, than the STR does. In terms of my area, which is international policy in terms of trade, we have 200 or so people covering every nation and region in the world, and it seems to me we can supply analysis and programs and suggestions on a country-by-country and region-by-region basis to both our Secretary as well as the Special Trade Representative and his associates.

I view my role and our team's role simply as auxiliary, to give them the information they need.

The CHAIRMAN. Then again, I would just ask for the record, you don't see any conflict with the stock you may hold?

Mr. KINGON. No, sir, I don't. It is a publishing company. It may go into other ventures and if it ever does, I will just either get rid of it or step aside.

The CHAIRMAN. Anything else you want to say?

Mr. KINGON. No, sir. Thank you very much.

The CHAIRMAN. There can't be any other questions; there is no one here. It is not a requirement, you understand. Sometimes we hear voices.

If there are additional questions, we will submit them in writing. Otherwise, we will try to move the nomination along quickly.

Mr. KINGON. Thank you, sir.

The CHAIRMAN. Thank you.

[Whereupon, at 9:32 a.m., the committee proceeded to other business.]

[By direction of the chairman the following communication was made a part of the hearing record:]

REMARKS BY SENATOR ALFONSE D'AMATO ON THE NOMINATION OF MR. ALFRED H. KINGON TO BE ASSISTANT SECRETARY OF COMMERCE FOR INTERNATIONAL ECONOMIC POLICY

Mr. Chairman, it is a distinct pleasure to commend, for the committee's favorable consideration, the nomination of Mr. Alfred H. Kingon to be Assistant Secretary of Commerce for International Economic Policy.

This distinguished New Yorker has a solid background in finance, economics and securities.

He is a graduate of Union College and pursued post graduate studies at New York University. For over ten years, Mr. Kingon has served as a senior editor for several economic and general interest publications. Last year, he was appointed to the President's Task Force on Private Sector Survey for Cost Control and to the National Productivity Advisory Committee.

He has the breadth of experience and philosophical commitment that will permit his service to the administration to be of the highest calibre. It is an honor to support his nomination. I urge your approval.

○